

Message Text

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16

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-11 INR-10 LAB-06

NSAE-00 RSC-01 SIL-01 DRC-01 L-03 /059 W

----- 048679

R 210756Z NOV 73

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC 1028

INFO AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY OSLO

UNCLAS STOCKHOLM 4114

E.O. 11652 N/A

TAGS: ELAB SW

SUBJ: UNIONS OUTLINE DEMANDS FOR UPCOMING NEGOTIATIONS

1. SUMMARY: SWEDISH TRADE UNIONS HAVE SET FORTH DEMANDS FOR WAGE INCREASES, SHORTER WORK WEEK FOR SHIFT AND UNDERGROUND WORKERS, OTHER FRINGES IN BARGAINING TO BEGIN NOVEMBER 27 FOR NEW NATIONWIDE GENERAL AGREEMENTS. PACKAGES ESTIMATED AT BOOSTING WAGE COSTS APPROXIMATELY 15 PERCENT PER YEAR DURING 1974-75. EMPLOYERS, WHILE PRESENTING NO COUNTERPROPOSALS AT PRESENT, HAVE PREDICTABLY LABELED DEMANDS EXCESSIVE AND HAVE INDICATED PREFERENCE FOR ONE YEAR ACCORD. END OF SUMMARY.

2. GENERAL LABOR AGREEMENTS IN PRIVATE SECTOR EXPIRE DECEMBER 31. SWEDISH TRADE UNION CONFEDERATION (LO), REPRESENTING 800,000 BLUE-COLLAR WORKERS, HAS OUTLINED DEMANDS TO BE PRESENTED AT OPENING OF NEGOTIATIONS NOVEMBER 27 WITH EMPLOYERS FEDERATION (SAF) FOR NEW NATIONWIDE AGREEMENT. UNION DEMANDS OVER TWO-YEAR PERIOD INCLUDE A) UNSPECIFIED GENERAL WAGE INCREASES IN 1974 AND 1975, B) IN KEEPING WITH WAGE SOLIDARITY POLICY, SPECIAL WAGE BOOST FOR LOW INCOMES OF 35 PERCENT OF DIFFERENCE BETWEEN EFFECTIVE HOURLY RATE AND "LOW-WAGE" LIMIT OF SKR 16.30 (\$1 - SKR 4.25) DURING 1974 AND OF 25 PERCENT OF DIFFERENCE DURING 1975, C) ADDED WAGE POOL OF SKR 0.25 PER HOUR PER EMPLOYEE TO BE DISTRIBUTED THROUGH LOCAL NEGOTIATIONS, D) WAGE DRIFT GUARANTEE

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OF SKR 0.50 PER HOUR OUTSIDE OF GENERAL INCREASE, E) REOPENER AND/

OR CANCELLATION CLAUSE FOR SECOND YEAR IF INFLATION EXCEEDS AS YET UNSPECIFIED RATE. NON-WAGE DEMANDS INCLUDE A) REDUCTION IN WORKWEEK FOR SHIFT AND UNDERGROUND WORKERS FROM 40 TO 35 HOURS B) EMPLOYMENT SECURITY PROVISIONS FOR INCREASINGLY LARGER POOL OF PART-TIME WORKERS, MOSTLY FEMALE, C) IMPROVEMENTS IN OCCUPATIONAL SICKNESS AND ACCIDENT INSURANCE AND IN CONDITIONS FOR INTRACOMPANY TRANSFERS, D) TIME-OFF FRINGES COMPARABLE TO THOSE ENJOYED BY WHITE-COLLAR WORKERS. LO ESTIMATES PACKAGE WILL ADD APPROXIMATELY 15 PERCENT PER YEAR TO WAGE COSTS, DEPENDENT ON SIZE OF EVENTUAL GENERAL WAGE INCREASES.

3. EMPLOYERS FEDERATION (SAF) SILENT, BUT HAD EARLIER INDICATED 6 PERCENT LIMIT WITH 5.5 PERCENT ALREADY OBLIGATED BY NEGOTIATED AND LEGISLATED FRINGES TO TAKE EFFECT JANUARY 1. MAINTAIN THAT CURRENT PROGRESSIVE INCOME TAX RATES AND INFLATION LIKELY TO EAT UP ANY OTHER WAGE INCREASES.

4. OTHER UNIONS FOLLOWING LO APPROACH. WHITE-COLLAR TCO SEES ROOM FOR 20 PERCENT IN PRIVATE SECTOR IN 1974, INCLUDING 12-13 PERCENT IN DIRECT WAGES, AND 12 PERCENT FOR GOVT EMPLOYEES. LONGER VACATION AND SHORTER WORK WEEK FOR SHIFT WORKERS PART OF WHITE-COLLAR PACKAGE. UNION OF PROFESSIONALS (SACO) AIMING FOR 14 PERCENT DIVIDED INTO 7.5 PERCENT GENERAL INCREASE, 5 PERCENT SHIFT PREMIUM AND 2 PERCENT WAGE DRIFT DURING ONE-YEAR AGREEMENT. WHITE COLLAR NEGOTIATIONS START DECEMBER 6.

5. COMMENT: ALTHOUGH LO AND TCO HAVE STATED PREFERENCE FOR MULTI-YEAR AGREEMENTS, LEADERS OF BOTH UNIONS HAVE INDICATED ONE-YEAR MIGHT BE ACCEPTABLE. EXPERIENCE UNDER CURRENT AGREEMENT, WHERE TAXES AND INFLATION ABSORBED MOST OF APPROXIMATELY 30 PERCENT GAINED OVER THREE YEAR PERIOD, LEADING UNIONS TO KEEP DOOR OPEN FOR RENEGOTIATION AND TO SEEK NON-TAXABLE FRINGES. POLITICAL AND ECONOMIC UNCERTAINTIES ENGENDERED BY POST-ELECTION PARLIAMENTARY STALEMATE AND CLAMORS FOR TAX REFORM, UNCERTAINTIES NOW COMPOUNDED BY OIL CRISIS, LEADING EMPLOYERS TO THINK ONE-YEAR IS ALL THEY WANT TO OBLIGATE THEMSELVES TO AT THIS TIME.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR UNIONS, COLLECTIVE BARGAINING AGREEMENTS, COST OF LIVING WAGE ADJUSTMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 21 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STOCKH04114
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STOCKHOLM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731119/aaaaanjw.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 21 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21-Aug-2001 by maustmc>; APPROVED <30-Jan-2002 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNIONS OUTLINE DEMANDS FOR UPCOMING NEGOTIATIONS
TAGS: ELAB, SW
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005